GOVERNMENT OF INDIA
NON-CONVENTIONAL ENERGY SOURCES
LOK SABHA

UNSTARRED QUESTION NO:4253
ANSWERED ON:20.04.2000
TAPING OF ENERGY POTENTIAL
SHEELA GAUTAM

Will the Minister of NON-CONVENTIONAL ENERGY SOURCES be pleased to state:

(a) whether there is any proposal to tap the potential available in the industries like sugar, fertilizers and textiles etc. for co-generation of power as is being done in U.S.A.;

(b) if so, the details thereof; and

(c) the steps taken/proposed to be taken by the Government in this regard?

Answer

MINISTER OF STATE FOR NON-CONVENTIONAL ENERGY SOURCES (INDEPENDENT CHARGE)

(SHRI M. KANNAPPAN)
(a) & (b): The Ministry of Non-Conventional Energy Sources is implementing a National Programme for promotion of optimum surplus power generation through Bagasse Co-generation in sugar mills. A potential of 3500 MW of surplus power generation from Bagasse based Co-generation has been estimated. A total surplus power capacity of 184 MW has already been installed. The Ministry of Power have also brought out detailed guidelines for promotion of Co-generation in Industry with the objectives of promoting better utilisation of precious energy resources in the industrial activities and creation of additional power generation capacity in the system.

(c): The National Programme on Bagasse Co-generation provides for financial assistance by way of capital subsidy for a limited number of demonstration projects and interest subsidy for commercial projects. The Central and State Governments also provide fiscal and financial incentives, including relief from taxes and duties, accelerated depreciation, etc. 14 States have so far announced promotional policies for wheeling, banking and buy back of electricity generated from commercial projects on power from renewables. Soft loans are provided by the Indian Renewable Energy Development Agency (IREDA) for commercial projects. Financial assistance is also provided for preparation of detailed project reports, business/interaction meets and training programmes.

The Guidelines of the Ministry of Power on Promotion of Co-generation in Industry provide for notification of an acceptable tariff by the State Electricity Boards which reflects the marginal cost of generation and pay at that rate for the life of the Plant, barring major fuel price escalations.